

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the matter of the failure of Prairie Gas) Docket No. 20-CONS-3220-CPEN
Operating, LLC (“Operator”) to comply with)
K.A.R. 82-3-111 at the Watson Farms #1,) CONSERVATION DIVISION
Monroe #2-4H, and Fecht D #1 in Greeley)
County, Kansas.) License No. 35442

PRE-FILED DIRECT TESTIMONY

OF

KEN JEHLIK

ON BEHALF OF COMMISSION STAFF

JUNE 22, 2020

1 **Q. What is your name and business address?**

2 A. Ken Jehlik, 210 E. Frontview, Suite A, Dodge City, Kansas 67801.

3 **Q. By whom are you employed and in what capacity?**

4 A. I am employed by the Conservation Division of the Kansas Corporation Commission, District
5 #1 Office, as an Environmental Compliance and Regulatory Specialist (“ECRS”).

6 **Q. Would you please briefly describe your educational background and work experience?**

7 A. I have a Bachelor’s degree in Geology from Kansas State University in Manhattan, Kansas.
8 I worked 10 years as an engineer for the Dowell Division of Dow Chemical Company
9 involved in cementing, acidizing and fracturing from 1966 to 1976. I next worked 21 years as
10 an engineer and superintendent for Helmerich and Payne Oil Co. until 1998, at which time, I
11 came to work for the Commission as an ECRS.

12 **Q. Have you previously testified before this Commission?**

13 A. No.

14 **Q. What duties does your position with the Conservation Division involve?**

15 A. As an ECRS, I am responsible for the witnessing and monitoring of oil and gas related
16 activities in Finney, Kearny, Hamilton, Greeley, Wichita, and Scott County, Kansas. My job
17 involves inspections, documentation, investigation, and consultation with lease operators,
18 landowners, and Commission Staff on compliance issues related to oil and gas production in
19 Kansas. I witness and monitor the drilling and completion of oil, gas, injection, and disposal
20 wells. I also investigate spills and complaints, witness mechanical integrity tests, witness the
21 plugging of wells, and witness the completion of wells. In addition, I conduct GPS surveys
22 on new and abandoned wells to verify the exact location and the status of wells. I work with

1 District Staff and Central Office Staff when required to complete various projects and
2 requests.

3 **Q. What is the purpose of your testimony in this matter?**

4 A. The purpose of my testimony is to offer Commission District Staff's testimony with regard to
5 the violations issued against Prairie Gas Operating, LLC ("Operator") in Docket 20-CONS-
6 3220-CPEN. In this docket, Operator was penalized for three violations of K.A.R. 82-3-111
7 for failure to return to service, plug, or obtain approval for Temporary Abandonment ("TA")
8 status for the following three wells:

9 Watson Farms #1, API #15-071-20358-00-00;

10 Monroe #2-4H, API #15-071-20706-01-00; and

11 Fecht D #1, API #15-071-20109-00-00.

12 **Q. Would you please explain the requirements of K.A.R. 82-3-111?**

13 A. Yes. K.A.R. 82-3-111 states that within 90 days after operations cease on any well the
14 operator of that well shall: (1) plug the well, (2) return the well to service, or (3) file an
15 application with the Conservation Division requesting TA authority, on a form prescribed in
16 writing by the Conservation Division. K.A.R. 82-3-111 also states that no well shall be
17 temporarily abandoned unless first approved by the Conservation Division and a well shall
18 not be eligible for TA status if the well has been shut in for 10 years or more without an
19 application and approval by the Commission of an exception pursuant to K.A.R. 82-3-100.

20 **Q. What is the penalty for failure to comply with K.A.R. 82-3-111?**

21 A. The failure to comply with K.A.R. 82-3-111 is punishable by a \$100 penalty, and the failure
22 to obtain approval of temporary abandonment status shall subject the Operator to additional
23 administrative action pursuant to K.S.A. 55-164 according to the Penalty Order in this docket.

1 **Q. How did the Watson Farms #1 come to your attention for the purposes of the Penalty**
2 **Order that was issued?**

3 A. On November 19, 2019, Staff sent a Notice of Violation letter (“NOV”) to Operator after
4 reviewing Commission records and realizing that Operator had failed to return the well to
5 service, plug, or obtain approval for TA status at the Watson Farms #1. Staff gave Operator a
6 deadline of December 17, 2019, to bring this well into compliance with K.A.R. 82-3-111.
7 Operator did not respond to the NOV letter. On January 6, 2020, Staff conducted a field
8 inspection which indicated no change from the November 13, 2019 inspection. The well was
9 still inactive and the meter run valve was padlocked shut by the pipeline.

10 **Q. Did Operator file a TA application for the Watson Farms #1 well?**

11 A. Not prior to the issuance of the Commission’s Penalty Order on February 13, 2020. However,
12 Operator subsequently submitted a TA application for the Watson Farms #1 well on April 2,
13 2020. That application was eventually approved on April 16, 2020, by my District Supervisor,
14 Scott Alberg. But again, Operator did not attempt to bring the well into compliance until more
15 than a month after the Commission issued the Penalty Order in this docket.

16 **Q. How did the Monroe #2-4H come to your attention for the purposes of the Penalty Order**
17 **that was issued?**

18 A. On December 3, 2019, Operator submitted a TA application for the Monroe #2-4H. This
19 application was denied due to the well being shut-in for over 10 years. Staff records, as well
20 as the TA application submitted by the Operator, indicate that the Monroe #2-4H was shut-in
21 on August 1, 2009. I have attached these records hereto as **Exhibit KJ-1**. Staff gave Operator
22 a deadline of December 31, 2019 to plug the well, return the well to service, or to file an
23 application for an exception to the 10-year time limitation with the Commission. Operator did

1 not respond to the NOV letter. On January 6, 2020, Staff conducted a field inspection which
2 showed that the well had not been plugged or returned to service. There was also no
3 application filed for an exception to the 10-year time limitation.

4 **Q. How did the Fecht D #1 come to your attention for the purposes of the Penalty Order**
5 **that was issued?**

6 A. On December 3, 2019, Operator submitted a TA application for the Fecht D #1. This
7 application was denied due to a high fluid level being present within the well. Staff gave
8 Operator a deadline of January 2, 2020, to bring this well into compliance with K.A.R. 82-3-
9 111. Operator did not respond to the NOV letter. On January 6, 2020, Staff conducted a field
10 inspection which indicated no response to the NOV letter sent on December, 3, 2019. There
11 was no motor on the pumping unit at the well, and all valves at the wellhead were closed. This
12 well also had not been plugged or approved for TA status.

13 **Q. What action did you take to warn Operator of the compliance issues?**

14 A. As stated above, standard NOV letters were sent to Operator for the Watson Farms #1,
15 Monroe #2-4H, and Fecht D #1 wells. The notices stated that the well(s) were in probable
16 violation of K.A.R. 82-3-111 and gave Operator until December 17, 2019, December 31,
17 2019, and January 2, 2020, respectively, to return the well(s) to service, plug the well(s), or
18 obtain approval for temporary abandonment status.

19 **Q. Did Operator bring either the Watson Farms #1, Monroe #2-4H, or the Fecht D #1 wells**
20 **into compliance by the deadlines listed in the NOV letters?**

21 A. No. On January 6, 2020, I conducted lease inspections at all three wells and found that the
22 wells continued to be inactive and unplugged without an approved TA application on file. The
23 pictures I took show that the wells were inactive and unplugged.

1 **Q. Please summarize your recommendations.**

2 A. The Penalty Order should be affirmed. The Operator failed to plug, produce, or obtain TA
3 status for the Watson Farms #1, Monroe #2-4H, and the Fecht D #1 by the deadlines in the
4 NOV letters. Additionally, the Watson Farms #1 was only brought into compliance after the
5 Commission issued its Penalty Order in this matter. The other two wells remain in violation
6 of K.A.R. 82-3-111 as of this date.

7 **Q. Does this conclude your testimony?**

8 A. Yes.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

TEMPORARY ABANDONMENT WELL APPLICATION

OPERATOR: License# 35442
 Name: Prairie Gas Operating, LLC
 Address 1: 114 E. 5th Street
 Address 2: SUITE 100
 City: TULSA State: OK Zip: 74103 + _____
 Contact Person: Neal Hensley
 Phone: (918) 344-1493
 Contact Person Email: _____
 Field Contact Person: _____
 Field Contact Person Phone: (_____) _____

API No. 15- 15-071-20706-01-00
 Spot Description: _____
E2 SW Sec. 4 Twp. 18 S. R. 40 ☐ E ☒ W
1320 feet from ☐ N / ☒ S Line of Section
1980 feet from ☐ E / ☒ W Line of Section
 GPS Location: Lat: _____, Long: _____
 Datum: ☐ NAD27 ☐ NAD83 ☐ WGS84
 County: Greeley Elevation: _____ ☐ GL ☐ KB
 Lease Name: MONROE Well #: 2-4H
 Well Type: (check one) ☐ Oil ☒ Gas ☐ OG ☐ WSW ☐ Other: _____
☐ SWD Permit #: _____ ☐ ENHR Permit #: _____
☐ Gas Storage Permit #: _____
 Spud Date: 04/20/1999 Date Shut-In: 08/01/2009

	Conductor	Surface	Production	Intermediate	Liner	Tubing
Size	0	8.625	5.5	0	0	2.375
Setting Depth	0	314	2833	0	0	3270
Amount of Cement	0	195	400	0	0	0
Top of Cement	0	0	0	0	0	0
Bottom of Cement	0	314	2833	0	0	0

Casing Fluid Level from Surface: 1426 How Determined? Acoustic Fluid Level Date: 11/19/2019

Casing Squeeze(s): _____ to _____ w / _____ sacks of cement, _____ to _____ w / _____ sacks of cement. Date: _____
 (top) (bottom) (top) (bottom)

Do you have a valid Oil & Gas Lease? ☒ Yes ☐ No

Depth and Type: ☐ Junk in Hole at _____ ☐ Tools in Hole at _____ Casing Leaks: ☐ Yes ☐ No Depth of casing leak(s): _____
 (depth) (depth)

Type Completion: ☒ ALT. I ☐ ALT. II Depth of: ☐ DV Tool: _____ w / _____ sacks of cement ☐ Port Collar: _____ w / _____ sack of cement
 (depth) (depth)

Packer Type: _____ Size: _____ Inch Set at: _____ Feet

Total Depth: 3280 Plug Back Depth: _____ Plug Back Method: _____

Geological Date:


Formation Name **Formation Top** **Formation Base** **Completion Information**
 1. _____ At: _____ to _____ Feet Perforation Interval 2833 to 2950 Feet or Open Hole Interval _____ to _____ Feet
 2. _____ At: _____ to _____ Feet Perforation Interval _____ to _____ Feet or Open Hole Interval _____ to _____ Feet

UNDER PENALTY OF PERJURY I HEREBY ATTEST THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE

Submitted Electronically

Do NOT Write in This Space - KCC USE ONLY	Date Tested: _____	Results: _____	Date Plugged: _____	Date Repaired: _____	Date Put Back in Service: _____
	Review Completed by: <u>Michael Maier</u> Comments: _____				
TA Approved: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> Denied Date: <u>12/03/2019</u>					

Mail to the Appropriate KCC Conservation Office:

	KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801	Phone 620.682.7933
	KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226	Phone 316.337.7400
	KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720	Phone 620.902.6450
	KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651	Phone 785.261.6250

File Home Add-ins Tell me what you want to do...

CP-111 - API Well # 15-071-20706-01-00 - MONROE 2-4H Generate Letters

TA Stat Pending Legal Action - sub Agrmt Exp. Dt Stat Fluid Level M I T

Expiration Deadline Save Status Shut-In ☐ Enter FL Witness ☐ Witnessed FL Req. to Renew

Deny Reason

TA Comments: <Shift><F2> will expand comment and history fields!

Date/By	TA Comment

Record: 1 of 1

TA History:

Eff Date/By	TA History Detail	Find Last Recorded Witnessed Fluid Level	Well Type
01/21/2020 emaclare	PL Status (Pending Legal Action - submitted to legal) entered without effective date, 15-071-20706-01-00, entered 01/21/2020.		GAS
12/03/2019 mmaier	Status DT (Denied TA) effective 12/03/2019, reason - Shut-in Over 10 years, 15-071-20706-01-00, entered 12/03/2019.		GAS

Record: 1 of 21

KCC CP-111 Letters:

Sent Deadline	Type of Letter	KCC Signature / Title	Add Historic Letter	
09/27/2019	CP-111 Expiration Reminder - well list	MICHELE PENNINGTON	View PDF	Delete Letter
09/28/2018	CP-111 Expiration Reminder - well list	MICHELE PENNINGTON	View PDF	Delete Letter
11/02/2017	NOV TA Letter	KCC STAFF	View PDF	Delete Letter
09/05/2017	CP-111 Expiration Reminder - well list	MICHELE PENNINGTON	View PDF	Delete Letter

Record: 1 of 17

CERTIFICATE OF SERVICE

20-CONS-3220-CPEN

I, the undersigned, certify that a true copy of the attached Prefiled Testimony of Ken Jehlik has been served to the following by means of electronic service on June 22, 2020.

KELCEY MARSH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
CENTRAL OFFICE
266 N. MAIN ST, STE 220
WICHITA, KS 67202-1513
Fax: 785-271-3354
k.marsh@kcc.ks.gov

FRED MACLAREN
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 1
210 E. FRONTVIEW SUITE A
DODGE CITY, KS 67801
Fax: 785-271-3354
e.maclaren@kcc.ks.gov

MICHELE PENNINGTON
KANSAS CORPORATION COMMISSION
DISTRICT OFFICE NO. 1
210 E. FRONTVIEW SUITE A
DODGE CITY, KS 67801
Fax: 785-271-3354
m.pennington@kcc.ks.gov

JONATHAN R. MYERS, ASSISTANT GENERAL COUNSEL
KANSAS CORPORATION COMMISSION
266 N. Main St., Ste. 220
WICHITA, KS 67202-1513
Fax: 316-337-6211
j.myers@kcc.ks.gov

LEE THOMPSON, ATTORNEY
THOMPSON LAW FIRM, LLC
D/B/A THOMPSON LAW FIRM, LLC
1919 N Amidon Avenue, Ste 315
WICHITA, KS 67203-1480
Fax: 316-267-3901
lthompson@tslawfirm.com

/S/ Paula J. Murray

Paula J. Murray